

# Zeon Chemicals L.P. (ZCLP)

## Company Profile

### Business Description

Manufacture and sales of synthetic rubbers, sales of other Zeon Group products

- **Manufactured and sold products:** Acrylonitrile butadiene rubber, acrylic rubber, hydrogenated nitrile rubber, epichlorohydrin rubber, Zeotherm®
- **Sold products:** Cyclo olefin polymer, styrene isoprene block copolymer, RIM (reaction injection molding) products, electronics materials

Established in 1989 from the purchase of the elastomer division of BF Goodrich Chemical Company combined with the new Zeon HNBR facility constructed the same year in Pasadena, Texas. The company operates mainly in North America, and is also expanding business in South America from the subsidiary Zeon do Brasil Ltda.



Kentucky Plant

### Locations

Louisville, Kentucky; Hattiesburg, Mississippi; Pasadena, Texas

### Subsidiary

Zeon do Brasil Ltda

### No. of Employees

As of March 31, 2020: 303

## Company Policy (Executive Message)

Hello, my name is Michael Recchio. I am President and CEO of Zeon Chemicals, LP, with responsibility for sales of Zeon manufactured products in the Americas. 2020 was a difficult year for ZCLP; with the global pandemic effecting sales, we missed our budget for the year but did manage to make an operational profit of \$4.5 Million in 2020. My message to each ZCLP employee in 2021 is: "We believe in RESPECT, that starts with Relationships and ends with Trust." My challenge to ZCLP members in 2021 is to rebuild relationships with each other and with customer in the face of this pandemic for a strong future.

The Pandemic is still strong, so we must rely on each other for strength. Learning new modes of communication to maintain relationships and build new relationships is critical to our future. The ability to connect by video is allowing more frequent discussions but cannot replace the need for in person discussions. Finding the right balance of remote vs in office work will be a challenge of 2021.

The 2020 travel and supply restrictions have provided us with a unique opportunity to change the way we do business and imagine what Zeon can be in 2030. Making Zeon into the company we want it to be will rely on refreshing our business and focusing on what each team member can do. A healthy and productive workforce will drive the Power of Brand Zeon into the future.

ZCLP as part of Zeon Corporation needs to continue to build our relationships globally, so we can work to elevate Zeon's goals for the future in the Americas.



President and CEO Michael Recchio

## Safety Initiatives

### Policy

ZCLP's safety policy is to achieve safety excellence with zero OSHA Recordable injuries.

### Specific Initiatives

ZCLP won a Safety Award from ARPM for our Riverport and Texas employee's achieving 1 year of no recordable injuries.



## Environmental Impact Reductions

### Policy

ZCLP's mission is to be a good neighbor in the neighborhoods in which we operate through superior environmental performance.

### Specific Initiatives

ZCLP's recycling program reduced paper waste by almost 19 MT in 2020, the equivalent of 180 trees.



### Environmental Data

\* "0" indicates less than 0.5 tons, and "0.0" indicates less than 0.05 tons

Kentucky Plant		FY2016	FY2017	FY2018	FY2019	FY2020
Substances subject to the PRTR Act	No. of substances	7	7	7	8	7
	Consumption (tons)	13,757	19,796	19,151	15,967	11,760
	Emissions (tons)	8	14	14	23	10
Industrial waste	Amount generated before compacting (tons)	551	587	671	577	603
	Amount sent to landfills (tons)	539	568	655	561	592
Water resource consumption (1,000 m <sup>3</sup> ) (industrial water + groundwater + waterworks)		722	779	829	722	644
CO <sub>2</sub> emissions (tons)		31,368	32,107	30,877	29,310	27,186
Energy consumption (crude oil equivalent, kL)		9,755	10,219	9,723	7,733	8,362

Texas Plant		FY2016	FY2017	FY2018	FY2019	FY2020
Substances subject to the PRTR Act	No. of substances	0	0	0	0	0
	Consumption (tons)	0	0	0	0	0
	Emissions (tons)	0	0	0	0	0
Industrial waste	Amount generated before compacting (tons)	42	38	72	38	33
	Amount sent to landfills (tons)	1.0	0.8	33.0	5.3	4.4
Water resource consumption (1,000 m <sup>3</sup> ) (industrial water + groundwater + waterworks)		228	261	258	242	227
CO <sub>2</sub> emissions (tons)		9,651	11,165	11,494	11,567	10,283
Energy consumption (crude oil equivalent, kL)		2,837	3,306	3,398	3,417	3,074

Mississippi Plant		FY2016	FY2017	FY2018	FY2019	FY2020
Substances subject to the PRTR Act	No. of substances	3	3	3	3	3
	Consumption (tons)	4,367	4,735	4,754	4,333	4,638
	Emissions (tons)	58	68	69	63	67
Industrial waste	Amount generated before compacting (tons)	128	93	20	25	25
	Amount sent to landfills (tons)	128	93	20	25	25
Water resource consumption (1,000 m <sup>3</sup> ) (industrial water + groundwater + waterworks)		124	157	116	128	128
CO <sub>2</sub> emissions (tons)		13,923	14,853	15,938	22,449	21,814
Energy consumption (crude oil equivalent, kL)		5,624	6,087	6,536	9,391	9,069

## Relationship with the Local Community

ZCLP’s mission statement says that we will surpass the expectations of the community through world class innovation and excellence in all of our activities. During 2018, ZCLP re-branded its charity committee and renamed it Zeon’s Helping Hands. Zeon’s Helping Hands vision is to be an organization that values and supports employee involvement while fostering a spirit of community and goodwill within Zeon and fulfilling our responsibility to give back to our community. Our mission is to enthusiastically serve others while strengthening both our corporate community and the community in which we live.



Zeon’s Helping Hands focuses its giving and community projects on the following:

1) Education

We contribute to our local youth through STEM (science, technology, engineering and math), environmental, and literacy related educational programs, as well as work readiness programs, that inspire and prepare our youth to succeed in the future.

2) Community Outreach

We contribute to enhancing the welfare of our communities and neighbors by alleviating the impact of poverty, hunger, and homelessness.

3) Health & Well-being

We contribute to our hospitals, veterans, disease-related causes and promote the healthy living of our employees and neighbors.

4) Environmental

We contribute to sustainable programs or projects that help protect our natural resources.

**Specific Initiatives**

The Kentucky Dryer team selected a local charity “Camp Quality USA Kentuckiana” as our 2020 Charity. Camp Quality serves children with cancer and their families by providing year-round programs, experiences, and companionship, at no cost. Camp Quality promotes hope and inspiration while helping children foster life skills and develop their full potential.

To raise funds, ZCLP employees participated again in the Kentucky Derby Bed Race. Led by Una Goosey and Dennis Guernsey, this team of Zeon Employee’s raced the bed through an obstacle course.

In addition to the bed races we had many other activities during 2020:

- Cane Run Elementary Back to School Event
- Holiday Jingle Mingle and Department Decoration
- Cane Run Elementary Holiday Gift Card Distribution
- Snacks for Donations
- Silent Auction

Overall, ZCLP contributed \$66K to various charities during 2020.

